

October 12, 2000

Statement of Chairman William E. Kennard
Competitive Networks Proceeding

When Congress passed the 1996 Telecommunications Act into law, it provided us with both the authority and the responsibility to promote consumer choice and economic benefits through increased competition for local and advanced telecommunications services. Access to the “last 100 feet” is one of the last remaining barriers to complete end-to-end competition for telecommunications services -- it is one of the last significant barriers to fulfilling Congress’ mandate from the 1996 Act.

Facilities-based competition in multiunit buildings is crucial to promoting increased consumer choice and economic benefits for many Americans. In this item we take several aggressive steps toward eliminating the existing bottlenecks to competition in multiunit buildings.

We appreciate the efforts of the Real Access Alliance and others to voluntarily agree to increased access to buildings and to best practices in accelerating time for negotiations with new entrants. We will take careful note of the implementation of these commitments and, additionally, will seek comment on the state of the market and whether the steps that we take today will be sufficient to encourage long lasting competition – or whether, in the future, it will be necessary to adopt a nondiscriminatory building access requirement.

We also seek comment on whether we should extend our prohibition of exclusive contracts to residential buildings. In addition, we seek comment on recent efforts by private industry to promote access to competitive local telecommunications providers – efforts that we commend, and efforts that we hope will ultimately be fruitful.

I am pleased with the affirmative steps that we are taking today to promote increased consumer choice and economic benefits. Tenants in multiunit buildings will now be able to make more of their own choices, and telecommunications providers will find it easier to offer more choices. In the near future, we will again review the state of competition for local and advanced telecommunications services. I am hopeful that our review will demonstrate that the targeted actions we take today have been sufficiently effective in promoting competition for that last vital piece – the “last 100 feet” -- of end-to-end telecommunications services. Should our future review prove otherwise, we are prepared to act – prepared to complete the goals that Congress outlined in the 1996 Act.